

# The American Observer

*A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe*

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## Britain's Economic Plight Grows Acute

**Stoppage of Lend-Lease Makes It Very Difficult to Obtain Needed Materials**

**ASSISTANCE FROM U. S. REQUESTED**

**Commission, Now in Washington, Is Seeking Credit Facilities to Finance Trade**

Last week, we discussed the problem of relieving hunger and distress in certain of the countries which have been devastated by war. We spoke of the activities of the United Nations Relief and Rehabilitation Administration in providing food and other assistance. We pointed out that the contribution which members of the United Nations are making is in the nature of gifts to the distressed peoples.

In addition to the problem of feeding the starving peoples of Europe, there are other serious problems confronting most of the nations of Europe. Practically every one of our Allies is in need of financial assistance in order to reestablish its industry and go through the period of reconstruction smoothly. Negotiations are under way with several of these countries for assistance. In most cases, the assistance is to be given in the form of loans.

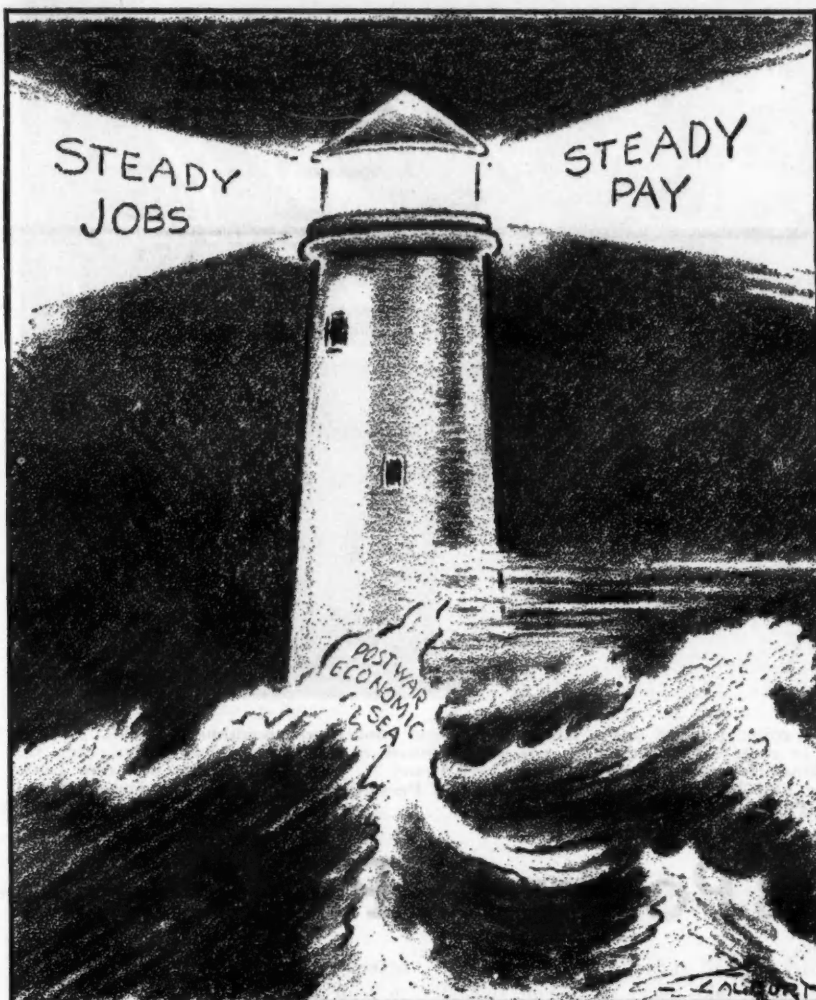
### British Seek Aid

At the present time, a British delegation, headed by Lord Halifax, is in this country discussing Britain's financial needs with high-ranking governmental officials. The best known member of the delegation is Lord Keynes, Britain's leading economist. The American officials with whom the discussions are going forward include Fred M. Vinson, Secretary of the Treasury; Will H. Clayton, Assistant Secretary of State in charge of financial matters; and Leo T. Crowley, head of the Foreign Economic Administration.

It is not yet clear exactly what form of financial assistance the British are seeking to obtain. There have been many indications that they do not wish a loan bearing interest because they might not be able to bear the burden of interest rates. Perhaps they will seek a loan which does not bear interest and which will run for a number of years. It has been suggested that they may seek an outright gift, in return for which they would make certain concessions to the United States.

Whatever demands the British may make, their present financial situation is recognized as being extremely serious. They must consider without delay an emergency which has developed since we stopped making lend-lease payments to them. During the war, through what was called lend-lease arrangements, we gave the British and our other Allies money with which to buy food and war materials, so that

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Beacon Light

## A Job Well Done

By Walter E. Myer

The complaint is frequently made that young people of today feel less responsibility about their work and conduct than boys and girls did a generation or more ago. It is said that they are inclined to be satisfied with mediocrity, that they do what is required of them but do not strive for excellence, that they are not moved by a sense of duty which impels them to do the very best that they can, either in school or at their jobs outside.

I do not know how much truth, if any, there is in this criticism. It is hard to compare one generation with another. Whatever the situation may have been in bygone years, it is a fact, of course, that many young people, and older ones as well, are satisfied with far less than excellence. Many are heedless of obligations, little impressed by the call of duty. We all know people like that. But in every class and in every community there are many who measure up to a far higher standard. These are the individuals whose examples keep alive our faith in humanity.

One such example came to my attention a few days ago. The story I heard was about a girl of high school age, employed for the summer as file clerk in a newspaper office. The work was neither very attractive nor very remunerative, but she threw herself into it with such zeal and competence that she was given an increase in salary. Then one day she asked for a week off. Her mother, also employed in the establishment, was to have a week's vacation, the family planned to spend the time at the beach, and the girl naturally wanted to go along. The request was readily and gladly granted.

Shortly thereafter, this girl overheard the manager of her department discussing a problem that had developed. One of the file clerks had resigned and another was ill. This created a difficult situation. The girl went immediately to the office and asked that her leave be cancelled. She was told that this was not necessary; that they could get along very well, and that she should go along with her family. She said, however, that she could not enjoy a minute of the vacation, knowing that her absence was making the work harder for those who remained, and she insisted upon going on with the work.

This girl did more than was expected of her, and by doing so she lost certain pleasures she could have enjoyed. But she had the greater satisfaction of doing the job that was hers, and of cooperating loyally with her fellow workers. Such individuals, and there are many of them, help to make industry efficient, to make the nation strong, and to render life a more pleasant experience for all.

## Labor Disputes Show Increase Since War

**Tension with Employers Likely to Grow as Workers Demand Higher Wage Scale**

**ARBITRATION MACHINERY DISCUSSED**

**Adaptation of Wartime Controls to Peacetime Needs Seen Possible if Disputes Grow**

Since the end of hostilities, there has developed a rash of industrial disputes in various parts of the country. Workers in the shipbuilding, automotive, electrical, and other industries have gone out on strike as a result of disputes with their employers. Last week, some 200,000 workers were idle because of these disputes, including 50,000 in the Ford plants. In the weeks ahead, there may be many more strikes.

The rise of industrial disputes is not unexpected. While the war was still raging it had been freely predicted that serious labor problems would develop as soon as the guns ceased firing. During the war, strikes had been held to a minimum by the no-strike pledge which labor unions had given and by the controls which were exercised by the government.

### Workers' Demands

With the return of peace, workers are making demands upon their employers to give them greater security in peacetime. Most of these demands relate to wages. Others deal with job security. All of them are designed to make labor's position more secure in the postwar world.

It is in order to deal with many of these problems that preparations are now under way for an important labor-management conference to be held later this fall, perhaps in November. Preliminary discussions among the heads of the powerful labor organizations, representatives of business and industry, and government officials have already taken place. Much will depend upon the success of this conference. In the meantime, President Truman is considering steps which may be taken to curb industrial disputes until the conference is held. He fears that these disputes may hold back reconversion.

Organized labor has emerged from this war in a particularly strong position. It is strong enough to make its voice felt. Never before have so many workers belonged to labor unions. It is estimated that the number who hold union cards is between 14,000,000 and 15,000,000, of a total working population of 39,000,000. Of the union members some 7,000,000 belong to the American Federation of Labor—the oldest of the national labor organizations; another 5,500,000 are members of unions affiliated with the Congress of Industrial Organizations, popularly known as the CIO; some 600,000 belong to the United Mine Workers of

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**SEEKING INDUSTRIAL PEACE.** Plans are going forward for a labor-management conference sometime this fall. Represented at a preliminary conference are (left to right): Eric Johnston, president United States Chamber of Commerce; Ira Mosher, president National Association of Manufacturers; Secretary of Commerce Henry A. Wallace; Secretary of Labor Lewis Schwellenbach; Director of War Mobilization and Reconversion, John W. Snyder; President of the American Federation of Labor, William Green; President of the CIO, Philip Murray.

HARRIS & EWING

## Labor Faces Postwar Problems

America, headed by John L. Lewis; another 400,000 workers belong to the railroad unions; and the remainder are members of independent unions.

This sizable membership stands in sharp contrast to the position of labor a few years ago. After the last war, for example, union membership declined to 3,750,000 from the 5,000,000 it had reached during that conflict. It was only during the middle 1930's that the great mass-production industries, such as automobiles, steel, rubber, and others, were unionized.

Organized labor has been greatly assisted during recent years by laws which have been placed upon the federal statute books. The National Labor Relations Act, popularly known as the Wagner Act, guarantees to every worker the right to join a union and to bargain collectively with his employers. No employer has the right to prevent his workers from joining unions and every employer is obliged to discuss, or bargain, with union representatives over such matters as wages, hours of work, and other conditions which are to prevail in his establishment. There are many other laws which protect labor's position.

The immediate problem confronting labor is that of wages. During the war, most of the nation's industries were operating on a 48-hour week, or longer. For every hour worked over 40 per week, the workers were paid time and a half. In many instances, they received double pay for Sunday work. This meant that the weekly pay check, the "take-home" pay, was fairly high, even though the hourly rates may have been relatively low.

Now that the industries of the country are returning to the 40-hour week,

workers will suffer a sharp reduction in their take-home pay, even though the hourly rates remain the same as they were during the war. All organized labor is insisting that adjustments be made to offset their reduction. The unions are demanding that the hourly rates be increased so that the take-home pay will be approximately the same as it was with the overtime payments.

### Increases Demanded

It is in conformity with this policy that the United Steel Workers of America, one of the strongest of the CIO unions, last week announced that it intended to demand a \$2 a day increase in wages for its workers. Based on an eight-hour day, this would amount to an increase of 25 cents an hour. Most of the other leading unions are expected to follow suit in the near future.

Labor's position in seeking wage increases is that the cost of living mounted during the war, whereas wages were held down by governmental policy. The Little Steel Formula, which was used as the basis of wage increases before the end of the war, allowed wage increases of only 15 per cent above those prevailing in January 1941, and workers contend that this restriction on increases caused their standard of living to decline.

In making these demands, the unions have been strengthened by the position of the federal government. The Little Steel Formula has been modified since VJ Day to the extent that pay increases may be granted to workers, provided that they do not result in an increase in the price of the goods manufactured. Thus, there is no further

attempt on the part of the government to keep wages from rising. Rather, it is the government's policy to encourage pay boosts, provided they do not cause a price rise.

The Truman administration has gone on record as favoring a policy of high wages in the postwar era. In his message to Congress on September 6, the President recommended that the minimum wage, now fixed at 40 cents an hour, be increased. While he did not fix a definite figure, it is understood that he would immediately have it raised to 55 cents an hour and eventually lift it to 65 cents.

Director of Economic Stabilization William H. Davis recently made it clear that it will be the policy of the Truman administration to foster substantial wage increases as part of its program to provide full employment. Mr. Davis pointed out that it will be the policy of the government to foster wage increases amounting to 40 or 50 per cent above the present level within the next five years. He also emphasized the fact that the increase must be effected without a rise in prices in order that the standard of living may be raised.

What the attitude of the nation's employers will be with respect to the policy of higher wages throughout industry has not yet been tested. Many of the country's businesses could, indeed, increase the wages of their workers without adding the increased cost to their prices. There are others, however, which would be obliged to raise prices in order to absorb the higher labor costs. Many employers contend that they could well afford to pay high wages in wartime because the government assured them a sure mar-

ket for their goods at reasonable prices but that in peacetime no such market is guaranteed.

There is a growing realization on the part of businessmen that workers must have a steady income—and a relatively high income—if there is to be a market for the goods which will be turned out in the years ahead. The ability of industry to turn out goods in almost unlimited quantities has been tested during the war. But the products of industry will be absorbed only if there is sufficient purchasing power among the workers to buy the goods. Labor constitutes the largest single market for the goods of industry, and this market can be maintained only if there is sufficient purchasing power.

Many employers contend, however, that wage increases, such as those now demanded by labor, will inevitably lead to higher prices and that, consequently, mass purchasing power will not increase. Not only will workers themselves have to pay more for goods, but also other sections of the population, including farmers and those whose income remains fixed. The big issue is whether wage increases can be made without similar increases in prices.

In the months ahead there will be many conflicts between organized labor and business over questions such as wage increases, hours of work, and other conditions which are to prevail throughout industry. How are these disputes to be settled? Can they be ironed out through collective bargaining; that is, through direct negotiations between employers and employees?

### Arbitration Machinery

There are many people who believe that machinery must be established for the settlement of such disputes in peacetime. Such machinery was set up during the war, and it worked very efficiently. Despite the many strikes which were emphasized in the nation's newspapers, the war production program was carried forward with few interruptions caused by strikes. For the entire war period, less than one-tenth of one per cent of the country's working time was lost through strikes in industry. In other words, at any given time only one worker out of a thousand was away from his job as a result of strikes.

It was the job of the War Labor Board to settle disputes between workers and employers during the war. This Board has served as the court of last resort in settling industrial conflicts. Its decisions have been final and both labor and industry have been obliged to accept them. In cases where either management or workers have refused to abide by the decisions of the War Labor Board, the government has stepped in and operated the industry in which disputes occurred.

While the War Labor Board is still in existence, it is expected to be abolished as soon as it disposes of the cases now on hand—cases which came up in wartime. It will not serve as a permanent agency to settle peacetime disputes. There are many people who believe that it should be replaced by an agency which would discharge the same functions in peacetime; that is, an agency which would have the power to listen to both employers and workers and make decisions which would be binding.

A bill has been introduced in Congress providing for the establishment of such machinery to settle industrial

(Concluded on page 6, column 4)



# Suggested Study Guide for Students

ELSEWHERE in this paper we reprint from *The New York Times Magazine* a moving appeal by a soldier for action to prevent war. Few can read this powerful indictment of war without a stirring of emotion.

But emotion alone will not prevent war. There must also be thinking and planning. If the horrors through which we have passed are not to be repeated in a far more terrible form we must find out more about the causes of war. The attempt to solve this problem will lead thoughtful people into a careful and sustained study of international affairs.

It frequently happened that nations set the stage for war without intending to do so. A government may adopt trade policies or other measures, intended for the benefit of its own people, without stopping to question whether these measures may hurt the people of other nations.

Such heedlessness is probably the most common cause of wars, and it is a form of action to which most nations sometimes resort. We can do a great deal for peace by examining searchingly every proposed piece of legislation, to see what its effect will be, not only upon ourselves but upon others. If the people of all nations can be brought to do this, fears of war will vanish. Once the acceptance of the Golden Rule becomes universal, there will be universal peace.

## England

When you have read the two articles on England which appear on pages 6 and 7, you should then test yourself to see that you have grasped the main facts. These questions will help you do this:

1. To what extent were the British people dependent upon foreigners for their food in the years before the war?
2. How did they get the money to buy this food and other foreign products which they needed and desired?
3. How was their ability to buy foreign goods affected by the war?
4. What will happen to them now if they are unable to obtain financial assistance from the United States?
5. What seems to be their best chance of building up their foreign income in the years immediately ahead?
6. How might the United States

make it more difficult for them to increase their foreign income?

If you can do some additional reading in your school or public library, we suggest these articles:

There is a series of five articles on this subject by George Soule in *The New Republic*, March 5, 12, 19, 26, and April 2. They present a full discussion of British postwar problems and the relation of American policies to these problems.

"The British Commonwealth as a Great Power," by H. Duncan Hall, *Foreign Affairs*, July, 1945. The writer of this article shows that England's strength lies in the cooperation of the members of the British Commonwealth of Nations.

"What the British Face," by David Cushman Coyle, *Survey Graphic*, May, 1945. One of a number of valuable articles in this special issue devoted to a discussion of "The British and Ourselves."

## Attitudes

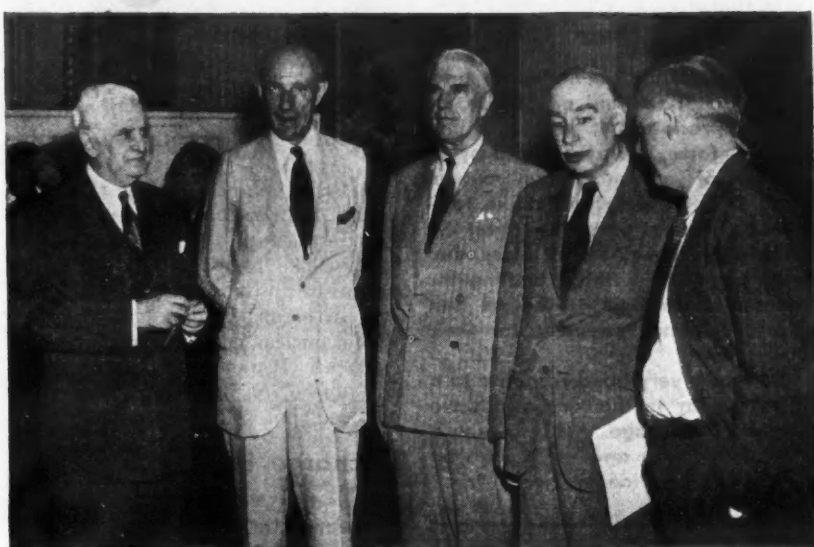
With which of these two statements do you more nearly agree? (1) In deciding whether to lend money to the British, and how to encourage our export trade, we should be careful not to do anything which might lead to a serious economic crisis in England, or which might cause her to ally herself with nations which could be our future enemies; (2) We must look out for our own trade and financial interests, just as England would do if she were in our position. We cannot carry England along as a charity case.

## Action

The question of whether, and on what conditions, we should grant loans to the British and our other Allies, will be decided by the President and his advisers to a certain extent. They may lend the money that is in the Export-Import Bank for that purpose. But there is only \$2,800,000,000 in this fund, and England, along with our other Allies, will probably ask for as much as \$12,000,000,000.

If more than the Export-Import Bank fund is to be granted, Congress must authorize the grant. Hence, the question as to whether or not substantial foreign loans are to be made will rest with that body.

After you have read, discussed, and



**ECONOMIC DISCUSSIONS.** Representatives of Great Britain have been discussing that country's acute economic problems with United States officials. Left to right: Leo T. Crowley, Foreign Economic Administration head; the Earl of Halifax, ambassador to the United States from Great Britain; Assistant Secretary of State Will Clayton; Lord John Maynard Keynes, economic adviser to the British Treasury; Secretary of Commerce Henry A. Wallace.

made up your mind about this problem, you can make your influence felt, as we said last week, by expressing your opinions to your friends, and writing to your newspaper editors and members of Congress. When you write to a senator, address the letter to the Senate Office Building, Washington, D. C.; to a representative, the House Office Building.

## Labor

Can you answer these questions which cover the page 2 article on industrial disputes?

1. About how many workers are out on strike at the present time?
2. What will be the purpose of the labor-management conference to be held this fall?
3. Briefly explain the present issue involving the question of wages.
4. What is President Truman's position on the wage controversy?
5. Explain the issue which has arisen over the length of the workweek.
6. What is meant by compulsory arbitration, and what issue does it raise?

## Reading

During the war, labor and management, as well as conflicting labor unions, have been compelled in the main

to settle their differences by peaceful means. Now a number of long-range industrial issues have come to the fore again. In order to understand the conflicts between employers and workers, between conflicting unions, over wages and hours, compulsory arbitration, the closed shop, national labor laws, we need to read as much as we can.

Find out as much as you can about the two largest labor organizations, the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO). Write to them in Washington, D. C. for descriptive material, and read what supporters and critics say about them in newspapers and magazines. Talk to union and business leaders in your community about industrial issues and conflicts. Read as many pros and cons as you can about these various issues. We shall write a great deal about them in the weeks ahead. Meanwhile, we recommend the following reading material, most of which can be found at your library.

Two good books are these: *Do You Know Labor?*, by James Myers, and *Labor in America*, by Faulkner and Starr. Both these books are small but packed with information on labor issues.

A lengthy pro and con discussion on *Compulsory Arbitration of Labor Disputes* is contained in "The Reference Shelf," Vol. 17, No. 6.

A good pamphlet is: *Workers and Bosses Are Human—Collective Bargaining at Work*, by T. R. Carskadon, Public Affairs Pamphlet, No. 76.

We also recommend these magazine articles: "Closed Shop?" in the *Rotarian*, June, 1945. A pro and con discussion of this controversial issue. "War or Peace on the Labor Front," by Lewis B. Schwellenbach (Secretary of Labor), *American Magazine*, October 1945. A plea from the new Secretary of Labor for cooperation of labor groups, employers, and the public in finding peaceful solutions of our industrial problems.

"Detroit's Armed Camps," by Earl Brown, *Harper's*, July, 1945. A case study in industrial strife.

"Problem of Higher Wages," *United States News*, September 14, 1945. The title implies what the discussion is about.



PITZPATRICK IN COLLIER'S



# The Story of the Week

## NOTICE

Teachers and students can render us a real service and one which we shall appreciate. It will help our business force, always very busy at this time of year, more than you can imagine if teachers will make revisions as soon as possible, collect the subscription money from classes, and make payments without waiting for statements from us. Students can help by prompt payment for their subscriptions.

We had a very good response to a notice similar to this one which we carried a year ago. This meant a great deal to us, and we thank you for your cooperation.



SHOEMAKER IN CHICAGO DAILY NEWS  
Steady, old fellow, steady

## Foreign Ministers Meet

In London's century-old Lancaster House, five of the most important men in the world are now gathered to talk over some of the most important problems in the world. The five men are the foreign ministers of the United States, Britain, Russia, France, and China; the problems, those of the peace settlement which will bring World War II to its real conclusion.

Although our own James F. Byrnes, Britain's Ernest Bevin, Russia's V. I. Molotov, France's Georges Bidault, and China's Wang Shih-chieh are doing most of their work in secret, the big issues they are dealing with are known. They are concerned, first of all, with the Italian peace treaty. The big question here is the disposition of Italy's former colonial empire. The French are pressing a claim for Libya and the Ethiopians for Eritrea and Italian Somaliland. Whether these territories will be turned over to some kind of international trusteeship or awarded to one of the contending nations outright is not yet known.

Second on the agenda are the Balkan nations with which settlements have to be made. It is on this point that the relations of the big powers are most precarious. For some time now there has been open disagreement between Russia and the western nations on the setting up of new governments in these countries. Russia is urging a change of policy in Greece, claiming that the British occupation has pursued undemocratic ends and has forced an unpopular government on the Greek people. Britain and the United States object sharply to Russia's handling of political reconstruction in Romania, Bulgaria, and Hungary, on the grounds that the regimes installed in these countries are Communist dominated

and unrepresentative. To this charge, Russia replies with an accusation of her own, charging that Britain and the United States have tried to reinstate King Michael without consulting her.

A third issue demanding the attention of the Foreign Ministers' Conference is the future government of Germany. The basic administrative hierarchy set up by the Russians in their zone of occupation has been proposed as the nucleus of an independent government. It was set up solely on Russian authority, however, and has not yet been approved by the other powers.

## Discharge Difficulties

The order of demobilization, the recruitment of occupation forces, and the building of a peacetime military force—these are some of the issues which have made the Army and Navy centers of controversy in recent weeks. They confront both military and congressional leaders with a host of delicate problems, for each issue concerns so many people that any mistake or injustice will bring down an avalanche of public protest.

Congress is currently ironing out the details of new legislation on the terms of enlistment in the regular Army and Navy. Striving to make service in the peacetime forces attractive to eligible young men, congressmen have added numerous additional benefits to the old arrangement, including bonuses, extra furloughs, and special family allowances.

The Army and Navy, meanwhile, have modified their requirements for discharge. As things stand now, enlisted men in the Army are eligible for demobilization if they have 80 or more points as of September 2, are over 38 years old, or are over 35 and have had a minimum of two years of honorable military service. Enlisted women need 41 points for discharge unless they are included in the age and service brackets above or are the wives of discharged service men.

Army officers below the rank of general are to be discharged according to a new point system which makes 100 the minimum for officers between the ranks of major and colonel, 85 for those between second lieutenant and captain, and 80 for warrant and flight officers. The point minimum for WAC officers is 44. These scores will soon



WELCOME HOME! General Jonathan Wainwright, shown with Mrs. Wainwright, leaving the White House after having received a warm welcome home by the people of Washington.

be cut again, according to latest announcements. Tentatively, the Army plans to lower point requirements again when all but 500,000 of those now eligible for discharge have returned to civilian life.

The Navy discharge system has also been revised so that reserve officers and enlisted men receive credit of one-fourth of a point for every month spent overseas. The point minimum for release has not been lowered, however, and combat experience is still not accepted among the qualifications for points. Operating under this system, the Navy expects that half of its personnel will be returned to civilian life within six months.

## Japan's Gestapo

Like other totalitarian countries, Japan formerly maintained a large, much-dreaded secret police force. The Japanese equivalent of Hitler's Gestapo was known as the Kempei-tai and included some 13,500 regular members as well as 9,000 special wartime volunteers.

The Kempei-tai maintained a headquarters across the street from the Emperor's palace in Tokyo. Here, in a big brick building, Japanese suspected of opposing the war were held, starved, tortured, and questioned for possible disloyalty. This much is common knowledge. The full story of

Kempei-tai activities may never be told, however, as its leaders succeeded in destroying all records before the American occupation began.

The Kempei-tai is now scheduled for dissolution. Its commander, General Jo Imura, promises that his organization will be completely disbanded by the middle of next month. He has pledged that there will be no attempt to reform it underground as the nucleus of a movement to resist Allied forces.

## Unconquered Enemy

In recent months, central Europe has produced alarming evidence that the end of the war left one of democracy's chief enemies unconquered. Anti-Semitism, through which Hitler perpetrated some of his most horrible atrocities, is still very much alive. Amid the frictions of postwar readjustment, it may even be growing.

In Austria, the reinstatement of Jews in their old jobs and homes has been held up by the hostility of the lower government officials. In Hungary, prominent newspapers have attacked the new cabinet because it includes four Jews. In Czechoslovakia, mobs have damaged Jewish homes and robbed and beaten their inhabitants. In the Slovak sections of the country, anti-Jewish laws have been lifted but no provision has been made for returning Jewish property to its rightful owners. In Poland, there have been widespread demonstrations of anti-Semitic sentiment.

Even in Russia, which once set a standard of tolerance for the whole world, anti-Semitism has flared up. Many areas which were occupied by the Nazis early in the war are reported to have fallen under the sway of German anti-Jewish propaganda. In other areas, to which Jews were deported after the partition of Poland, hostility to Jews has also gained a foothold.

## Junker Downfall

Under Russian supervision, the final step is being taken toward destroying the power of Germany's chief militarists, the Junkers. A sweeping program of agrarian reform is breaking up the great estates they once ruled in feudal fashion and distributing the land to poor peasants and landless refugees.

Only estates over 100 hectares



Scene from the motion picture "The True Glory." Here German troops are shown marching through the streets of Cherbourg, France, after the liberation of that city by the Americans.



(about 250 acres) are being confiscated by the occupation authorities. These are being divided into holdings of no more than five hectares (about 12 acres) except in cases where land is poor and more is necessary to assure a reasonably sized crop.

Rules for the various provinces affected vary, but, in general, those receiving the land are required to pledge the equivalent of a year's harvest to the government in payment for their new farms. In Brandenburg, peasants are also being given the use of confiscated farm machinery. Committees on which the peasants themselves are represented are assigning machines to the new landholders according to a system of rotation.

Besides guaranteeing that the war-making aristocrats of Prussia, Brandenburg, and Saxony will never again regain their power, the new program realizes an old dream of Germany's rural population. After Germany's defeat in World War I brought a revolutionary government to power in Berlin, the peasants expected to take over the small plots of land they coveted. But the country's Social Democratic leaders wanted to accomplish the reform gradually and peacefully, with the state compensating the Junkers for their losses. Before they could get under way, however, the Junkers had reestablished their economic power and were able to prevent any change whatever.

### The True Glory

Four centuries ago, Britain's Sir Francis Drake prayed: "O Lord God, when Thou givest to Thy servants to endeavour any great matter, grant us



BISHOP IN ST. LOUIS STAR-TIMES  
The long, hard way back

also to know that it is not the beginning but the continuing of the same until it be thoroughly finished which yieldeth the true glory." Today, official U. S.-British film makers have chosen the last phrase of this prayer as the title of a new motion picture covering the major campaigns of the European war and conveying an urgent message on the importance of preserving peace.

The film, produced by Britain's Captain Carol Reed, America's Captain Garson Kanin, and numerous aides from different United Nations, starts two months after D-Day and records the progress of the Allied forces through France, Belgium, Holland, Luxembourg, and Germany itself, closing with the fall of Berlin. Made from 6,500,000 feet of pictures taken along firing lines, beachheads, and the other landmarks of war, it



INT'L NEWS PHOTO  
REEDUCATION BEGINS. Under supervision of Allied occupation authorities, steps are being taken to erase all traces of Nazi doctrine from the educational system of Germany. In newly reopened schools, all Nazi books are being replaced by books free of racial hatred and cult of the Nordic supermen.

took about 150 casualties from among the combat cameramen responsible for the project.

"The True Glory" emphasizes the complex teamwork of many services and many nations in the European war, pointing out the need for similar group effort in the winning of the peace. Both as an historical record and as a spectacle, it is being acclaimed as one of the most compelling motion pictures to appear in a decade.

### End of War Time

Among the wartime phenomena to be done away with now that peace has returned is "war time," the year-round daylight saving system which has been in effect throughout the country since early 1942. Next Sunday, September 30, Americans will set their clocks back an hour and return to standard time.

Congress passed the act which set time forward an hour six weeks after Pearl Harbor. It was a conservation measure, designed to save coal and waterpower used to provide lighting. Warring Britain had already adopted an even more drastic time revision toward this end—double war time, or a two-hour advance on the standard schedule.

War time was popular with city people, who liked having an extra hour of daylight after work; less so with farmers, for whom it meant an extra hour of labor in the dark before daybreak. It is largely because of pressure from rural sections that Congress has decided to discard it.

### Uruguay Plans

Just as all the countries of the world, however small, remote, or untouched by actual fighting, were affected by the war, so all are facing economic readjustments with the coming of peace. One little country already prepared to meet the difficulties of the transition period is Uruguay.

Like many of her bigger neighbors, Uruguay plans to combat the threat of unemployment and a falling standard of living through a program of public works, expanded foreign trade, and social security safeguards. Here are some of the chief provisions of the five-year plan:

The national highway system will

be expanded almost 50 per cent. New waterways, bridges, railroads, port facilities, and other public improvements will be built. Large-scale irrigation projects will be undertaken, along with reforestation of desolate areas and new power installations to aid rural communities. The government will promote technical research which may benefit Uruguay's chief industries by enlarging the state School of Veterinary Medicine and the School of Agriculture. Public health and child care facilities are to be improved and social security benefits broadened.

The five-year plan also provides for an increase in the base pay of government employees. In addition, the Uruguayan government is preparing to encourage a vigorous foreign trade.

### High School Aviators

In at least one state, air-minded high school students will soon have the opportunity to follow up their interest in planes in a practical way. Wisconsin has already passed a law authorizing high school boards to make contracts for student flight instruction. A school program now being whipped into shape by the Wisconsin Department of Public Instruction to-

gether with the Civil Aeronautics Administration calls for four hours of actual flight experience plus extensive classroom studies in aeronautics.

Realizing the tremendous boom civil aviation will experience when the thousands of war planes and pilots become part of the nation's peacetime life, other states are considering the adoption of similar school programs. Alabama, California, Colorado, Connecticut, Illinois, Michigan, Ohio, Pennsylvania, Tennessee, Texas, and the District of Columbia have started working with the CAA toward framing air education plans of their own, and still others are expected to begin in the near future.

The flight instruction given in high schools will, of course, not attempt to turn every student into a qualified pilot. But it will provide basic background knowledge for those who plan to find their eventual careers in the aviation field.

### Inter-American Friction

During the war years, the United States was engaged in a propaganda race against the Axis powers in Latin America. We won that race, convincing our hemisphere neighbors that their best interests lay with the United Nations cause. But now that the fear of German and Japanese aggression has been removed, it is becoming clear that there is more work to be done if we are to build the kind of enduring friendship we want in the Pan American family.

For, with the return of peace, some of the old Latin American dislike of "Yankee imperialism" has flared up again. Part of it is due to counter-propaganda from such sources as Argentina; part to resentment at the wartime pressures this country put upon the rest of the hemisphere.

To combat this feeling and to bring the Latin Americans a fuller understanding of what American democracy means, the Latin American section of the Department of State will carry on a broad program of informational activities throughout the hemisphere in the years to come. In putting across their ideas, our propagandists will have to match two important competitors—Britain and Russia—both of whom have already planned big peacetime campaigns to further their political and commercial interests.

## S M I L E S

We'll believe the air age has really arrived in the United States when we see a two-passenger airplane whiz by with seven or eight high school students in it.

★ ★ ★

Little Girl: "Mother sent me to buy a chicken."

Grocer: "Do you want a pullet?"

Little Girl: "No, I'll just carry it."

★ ★ ★

"My uncle is in the hospital."

"What's the matter with him?"

"He walked down a ladder a few minutes after they had taken it away."

★ ★ ★

G. I.: "Would you blame me for something I didn't do?"

Sergeant: "Of course not."

G. I.: "Well, I didn't get up for reveille."

★ ★ ★

In a camp in the Pacific area a hand-lettered sign tacked to the officer's bulletin board reads: "Hats altered to fit any promotions."

A nervous little lady was about to launch a ship when a worried look came over her face. Turning to a naval officer by her side, she said, "Goodness, do you think that I can hit hard enough to knock it into the water?"



WOLFE IN SATURDAY EVENING POST





The decline of merchant shipping has deprived England of one of her principal sources of income before the war.

## Britain's Economic Crisis

(Concluded from page 1)

they could carry on the war in which we and they were engaged. Our Allies, fighting as they were alongside the United States in a common cause, depended upon us for food and other materials.

It was understood that this assistance would stop when the war was over, but the war ended suddenly—far more quickly than anyone had expected. We immediately stopped the flow of goods from this country to the British, and now they must arrange to pay for goods which they had been getting under lend-lease. They have no money with which to make the payments, and so they must now obtain credit in this country.

The British also need money with which to buy raw materials, and to repair factories damaged during the war. They need to obtain this help so that they can get their industry on its feet. In that way, they can put themselves in a position to look after their own needs in the future. It is estimated that in order to obtain the food which they must have now, and to get their industry back into production, they must have from three to six billion dollars.

The need of the British is indeed urgent. A prominent American newspaper writer says that they are in a more dangerous economic position than they have been for a hundred years. To understand a statement of this kind, we must see what Great Britain's economic position was before the war and then note the changes wrought by six years of mortal combat.

Before the war the British produced only about a third of the food they consumed. Food production increased during the war, but it seems probable that from now on they can produce only about half the food they require. The rest must be imported from other countries. Britain must also import many raw materials for carrying on her industries. For example, one of the principal industries is the manufacturing of cotton goods, yet raw cotton is not produced in Britain. It must be shipped in from the United States and elsewhere. The same is true of a number of other raw materials.

Before the war, therefore, the British were obliged to buy a great deal from other countries in order to live.

In 1938, the cost of imports was \$3,432,000,000. Where did they get the money with which to buy these things which they absolutely required?

They secured a great deal of it by selling their products, chiefly manufactured goods, to foreigners. In 1938 they exported goods in the amount of \$1,883,000,000. An examination of these figures shows that they were selling to foreigners far less than they were buying from foreign lands.

But they did not depend wholly upon the sale of goods to get money to pay for their imports. They had invested a great deal of money in foreign countries, and the interest from these investments totalled about \$800,000,000 a year. Furthermore, the British, before the war, had a large merchant fleet. They owned at least one-fourth of the world's merchant vessels, and foreigners paid them about \$400,000,000 a year to carry merchandise. British companies also did a big insurance business in other lands and received from foreigners about \$140,000,000 for this service.

From all these sources—exports, foreign investments, income from shipping, and from insurance—they received about \$3,220,000,000 a year. This money almost, but not quite, paid for the food and raw materials which they were obliged to buy from foreigners. Even then, before the war, they were going into debt to foreigners a little more than \$200,000,000 a year. This was a fairly serious situation, but not too dangerous. They could reasonably hope that by increasing their exports and their other income by small amounts they would soon be able to pay for what they were getting from abroad.

Now let us see what the war did to them. In the first place, it cut down their exports by about one-half. It is easy to see how this happened. For one thing, many of the factories which had been producing the kind of goods which the English could sell to foreigners stopped making these things and engaged in the production of war materials.

The United States, through its lend-lease policy, contributed to that result. Our government said, in effect, to the British: "Forget your export trade. You do not need to sell goods abroad in order to get money to buy food and other things you need, for

we are supplying those things. So you can turn your factories almost exclusively to war production, and thus help to win the war in which we are both engaged." The British did that, and now they find that they are no longer producing the things foreigners want. Some of the countries which formerly bought goods from the British are now buying from the United States.

Furthermore, Germany, Belgium, France, the Netherlands, and some of the other nations to which the British used to sell goods, are now impoverished and are not able to buy as much as they did before. The result of all this is that the British are now getting only about one-half as much money by selling goods abroad as they did in 1938.

Other sources of income have also been reduced. About one-third of their merchant fleet is gone, and this means smaller income from shipping. Furthermore, during the war, the British disposed of many of the investments they had abroad, so foreigners now pay them less interest than they did before. Not only that, but early in the war, the British borrowed from 12 to 15 billion dollars from other countries—principally India and Egypt—and they must now pay interest on these loans.

Thus the people of Great Britain are now getting far less from other countries than they got before the war—probably not over one-half as much. They must, however, buy as much as they bought before if they are to live. They need as much food as they did before. They need as much raw materials for their industries. Before the war, they were getting scarcely enough money from foreign countries to pay for these things which they must have from foreign lands. Now they are getting only about half as much.

The British cannot cut down their imports. If they cannot buy food abroad, either the people will starve, or about one-half of them will be obliged to move out of the country. Yet, as things now stand, they do not have money enough so that they can keep on buying from the outside.

How are they to increase their income so that they can go on buying from abroad—so that they can go on living? There is not much chance of their increasing their income from shipping, or from foreign investments—not for some time at least. It appears that their only chance is for them to increase their exports.

It will not be enough for them merely to double their exports and sell as much to foreigners as they were doing in 1938, for they would still lack shipping and investment and

other income which they had before the war. It is generally believed that in order for the present population to live in Britain, the British must increase their exports to about 50 per cent above what they were in 1938. Only then will they receive from abroad enough money to buy the goods they require.

Can the British do this? There is some chance that they can. Probably never again can they sell as much coal as they formerly did, but they can specialize in the production of certain kinds of goods of very high quality, such as clothing and textile products, chemical and electrical equipment, fine grades of machinery and so on.

But to get their industries started on the upgrade, they must have money and they must have it quickly. That is why they are coming to the United States, asking for assistance.

(For further facts on this subject see pages 3 and 7.)

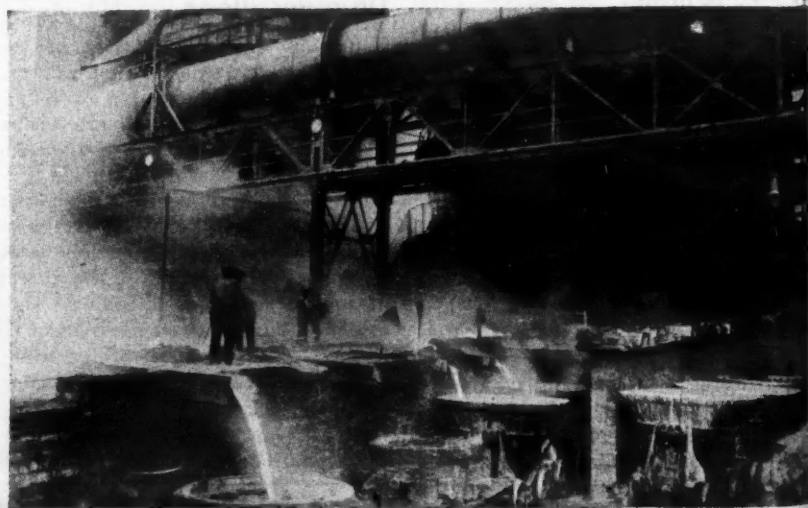
## Industrial Disputes

(Concluded from page 2)

disputes. It would provide for the compulsory arbitration of conflicts arising between workers and employers. The bill calls for the establishment of a Federal Industrial Relations Board which would have power to settle disputes and force both workers and employers to accept its decisions.

Organized labor, as represented through the CIO and the AFL, is strongly opposed to this bill or to any legislation which provides for compulsory arbitration. Workers contend that such a measure would destroy their freedom to protect their rights, through strikes and other measures. In wartime, labor contends, such restrictions may be necessary in order to prevent disputes, but in time of peace, they cannot be tolerated.

Whether such legislation is pushed during the months ahead will depend largely upon the extent to which industrial disputes prevail throughout the country. If conflicts over wages, hours of work, and other working conditions can be settled voluntarily by collective bargaining between workers and employers, the demand for compulsory arbitration will subside. But if the procedure of collective bargaining on a voluntary basis breaks down, and if American industry is threatened by large-scale strikes, the demand for effective machinery to settle disputes will grow. The coming negotiations between the workers in many large industries and their employers will afford the first important test of the voluntary machinery now in effect.



England needs financial assistance to modernize her industries. Here are blast furnaces used to smelt iron ore.



# Our Postwar Relations with England

THE British effort to find their way to national security and prosperity will be deeply affected by policies which the United States may adopt. This country has emerged from the war with greater economic power than that of any other nation, and the well being of other nations, as well as our own, will depend very largely upon how we use that power. The people of England are watching anxiously to see what we do with respect to the following problems:

## Export Competition

The United States, like Great Britain, wants to increase her export trade after the war. Most Americans think that our factories can work at full speed and furnish full employment only if they can sell a large part of their products to foreigners. The British naturally expect us to do what we can to encourage the sale of our products abroad. They do not object to competition for markets.

Many of the British fear, however, that we will resort to what they consider unfair methods of competition. They think that in order to keep our factories going at high pitch, we may "dump" a large proportion of our goods abroad; that is, that we may sell goods to foreigners at lower prices than are charged in our own country. They think that the government may offer gifts or subsidies to those engaged in the export trade to encourage the sale of goods to foreigners. They fear that if this is done, Americans may drive British goods out of the market in certain areas.

## Merchant Marine

The United States, which had a relatively small fleet of merchant ships before the war, now has the largest in the world—even larger than Britain's. Two courses are open to us now that the war is over. We may sell a large number of our vessels to those of our Allies who have need for them, or we may keep nearly all our ships and try to get business for them.

The government may give subsidies or gifts to the companies owning these vessels so that they can charge low rates for hauling goods, and still make profits. If this is done, an increasing proportion of world commerce may be carried in American vessels, and the British will obtain a decreasing amount of revenue from the ships they operate.

## Air Competition

As has been stated elsewhere in this paper, the British, at best, will lose a considerable amount of income which they have received by hauling foreign goods in their ships. They hope to make up part of this loss by maintaining a large fleet of cargo planes, but they fear American competition in this field.

It is said in Great Britain that, by agreement with the United States, the English gave most of their attention during the war to the production of fighter planes, while the United States specialized in bombers and transport planes. These planes which America produced can be more easily converted into cargo carriers than the British fighters can. Hence we are likely to have an advantage over the British, at

least for a while, in the air commerce business.

To insure themselves an even break in commercial plane business, the British ask that the leading nations agree not to compete with each other; that instead, each nation should be given a certain share of the air business and should not be allowed to exceed its share. To date the Americans have opposed that plan and have insisted upon a policy of free competition—a policy which the British think will work to American advantage.

## Competition or Cooperation

Not only are the British anxious about the specific problems which have been mentioned. They are concerned

United States does not want, on condition that they buy our manufactured goods in return. We can adopt the same policy with respect to other nations."

## Danger of Policy

The danger of such a policy is, of course, that it would make the United States and Great Britain trade rivals. Each nation would use every possible means to develop its own commerce, even though such measures might hurt the other. Such a situation would render cooperation in maintaining world peace difficult.

In deciding what our relations toward Great Britain should be, Americans must choose between two points

this article examined some of the fears which are bothering the British; some of the complaints they make about probable American policies.

The Americans, too, have their misgivings. To many people on this side of the Atlantic it seems that the British are planning unfair methods of competition.

The Imperial Preference plan is offered as an example. Great Britain admits imports from the colonies and dominions on more favorable terms than imports from America and other countries receive. Higher taxes are charged on goods coming from the United States than are charged on goods from Canada. In return Canada favors goods coming from Great Brit-



NEW YORK TIMES

about the general question of whether they should work closely with the United States and give their chief thought to trying to sell goods to this country, or whether, on the other hand, they should devote their energies chiefly to building markets elsewhere.

Those who favor the attempt to sell an increasing amount of products to America point to the great purchasing power of Americans. They feel that an exchange of goods would contribute to the prosperity, not only of the United States, but of Great Britain.

Those who oppose such a course argue this way: "If we succeed in selling great quantities of goods in the United States, the Americans may not like this competition and may erect high tariff walls, as they have done so often in the past, which will make it impossible for us to sell goods there."

"Furthermore, it is quite likely that there will be a depression in the United States after the war. If there is, the Americans will not be able to buy our goods and if we have come to depend too much on the American market, we will go down in depression along with the people of the United States."

"Under the circumstances, we should not depend chiefly upon sales of goods to America. Instead, we should try to develop trade with the various countries of our own empire, with the countries of western Europe, and with Latin America. We may, for example, build up a great trade with Argentina. We can do it by agreeing to buy their beef and wheat, which the

of view. The one is that, in considering loans or other measures, we should take a strictly businesslike position. We should grant loans or assist the British only if by doing so we can promote our own trade, or help our own business. Those who think along this line contend that, in the long run, Americans will benefit if the British are prosperous. In the prewar years, they were our best customer and America will suffer serious financial dislocations as a result of a bankrupt Britain.

The other line of thought stresses the position that the United States cannot afford to underwrite Britain's economy; that we ourselves have a staggering national debt which will take years to liquidate, and that the financial burdens to confront us in the years ahead will require all our resources. Unfortunate as Britain's present economic crisis may be, it is argued, there is nothing we can do about it without endangering our own economic security.

There are still others who argue that we should help England maintain her strength as a measure of defense. Our experience in two world wars, it is argued, should prove to us that we should maintain a strong and powerful England as an outpost from which we can hold European enemies at bay.

## Complex Trade Relations

The problem of trade relations between the United States and Great Britain is quite complex. We have in

ain—charges less duty on them than on goods coming from other countries.

This is but one of a number of devices used by the British, or under consideration by them, whereby they try to secure special favors for their exports. Anyone who understands England's great need of an export market can see why they engage in such practices.

Nevertheless, such practices tend to cause trade wars among nations. The United States government is working for freer competition for trade among nations. Our reciprocity program provides that if taxes are lowered on imports from any one nation, other nations shall enjoy the same lower duties.

Some Americans think that we should lend money to the British only on condition that they quit discriminating against our trade. Others think that British policies do not hurt us any more than some of our policies hurt the British.

The issue is a difficult one. If strained relations are to be avoided, and if the two great Allies are to work harmoniously together, there must be calm thinking on both sides.

## Pronunciations

Georges Bidault—zorz' bee-dole'—z as in azure

Eritrea—eh-ree-tray'ah

Jo Imura—joe' ee-moo'rah

Junker—yoong'ker

Kempei-tai—kem'pay ti'—i as in ice

Somaliland—soe-mah'li-land

Wang Shih-chieh—wahng' shee' chee-eh'

# More Terrible Than All the Words

*Here an American soldier, now with the Army of Occupation in Germany, epitomizes the tragedy of war in a message to his son.*

My Son:

War is more terrible than all the words of men can say; more terrible than a man's mind can comprehend.

It is the corpse of a friend; one moment ago a living human being with thoughts, hopes, and a future—just exactly like yourself—now nothing.

It is the eyes of men after battle, like muddy water, lightless.

It is cities—labor of generations lost—now dusty piles of broken stones and splintered wood—dead.

It is the total pain of a hundred million parted loved ones—some for always.

It is the impossibility of planning a future; uncertainty that mocks every hoping dream.

Remember! It is the reality of these things—not the words.

It is the sound of an exploding shell; a moment's silence, then the searing scream "MEDIC" passed urgently from throat to throat.

It is the groans and the pain of the wounded, and the expressions on their faces.

It is the sound of new soldiers crying before battle; the louder sound of their silence afterwards.

It is the filth and itching and hunger; the endless body discomfort; the feeling like an animal; the fatigue so deep that to die would be good.

It is battle, which is confusion, fear, hate, death, misery and much more.

The reality—not the words. Remember!

It is the evil snickering knowledge that sooner or later the law of averages will catch up with each soldier, and the horrible hope that it will take the form of a wound, not maiming or death.

It is boys of 19 who might be in the schoolroom or flirting in the park; husbands who might be telling their wives of a raise—tender and happy-eyed; fathers who might be teaching their sons to throw a ball—bright with pride. It is these men, mouths and insides ugly with hate and fear, driving a bayonet into other men's bodies.

It is "battle fatigue," a nice name for having taken more than the brain and heart can stand, and taking refuge in a shadowy unreal world.

It is the maimed coming home; dreading pity, dreading failure, dreading life.

It is many million precious years of human lives lost; and the watching of the loss day by day, month by month, year by year, until hope is an ugly sneering thing.

Remember! Remember and multiply these things by the largest number you know. Then repeat them over and over again until they are alive and burning in your mind.

Remember! Remember what we are talking about. Not words; not soldiers; but human beings just exactly like yourself.

And when it is in your mind so strongly that you can never forget; then seek how you can best keep peace. Work at this hard with every tool of thought and love you have. Do not rest until you can say to every man who ever died for man's happiness: "You did not die in vain."

Cpl. WALTER J. SLATOFF.

